

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:2891

ANSWERED ON:09.08.2001

EXPLORATION OF DEEP WATER BLOCKS UNDER NELP

UMMAREDDY VENKATESWARLU

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether Indian Oil Corporation Limited and the ONGC have tied up to explore deep water blocks under New Exploration Licensing Policy(NELP);
- (b) if so, the details thereof;
- (c) the time by which the work likely to start on these deep water exploration sites;
- (d) whether any earlier or preliminary survey of this area has been done;
- (e) if so, the imperative circumstances for Indian Oil Corporation Limited to invest its surplus funds in this oil exploration;
- (f) whether IOCL is unable to find other investment avenues; and
- (g) if so, the steps proposed to review IOCL's involvement in oil exploration?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a)to (c): Two deep water blocks, MB-DWN-2000/1 and MB-DWN-2000/2 have been awarded to the consortiums having Oil and Natural Gas Corporation Limited (ONGC) and Indian Oil Corporation Limited (IOC) as partners under the second round of New Exploration Licensing Policy(NELP) and the Production Sharing Contracts(PSCs) have been signed recently on 17.7.2001. Exploration work can start after the Petroleum Exploration Licences (PELs) for respective blocks are issued.

(d): Yes, sir.

(e) : IOC has expanded its activities in the Exploration sector as a business decision, primarily for availing assured supply of crude oil, for balancing of profits, growth & market capitalisation and for saving foreign exchange.

(f) No, sir.

(g) Does not arise.